



21 May 2013

Improvements to the general insurance statistical publications

On 22 February 2013, APRA released a discussion paper on proposed changes to its general insurance statistical publications and on the confidentiality of general insurance data submitted to APRA. In the discussion paper, APRA proposed to enhance its general insurance statistical publications to better meet stakeholders' needs for more detailed and timely statistics. APRA also proposed to determine that all data submitted by general insurers are non-confidential and therefore would be publicly accessible. The consultation period for submissions to be made to APRA closed on 5 April 2013.

Based on the feedback received in submissions, APRA will implement the improvements to the general insurance publications as proposed, with minor amendments to include additional statistics sought by respondents. By implementing these improvements, APRA will publish more than 100 new statistics, including revised capital adequacy statistics, and publish statistics for the first time on general insurance groups.

By publishing more of the data that APRA collects, APRA aims to promote a better understanding of the general insurance industry and assist research and public discussion on general insurance policy issues.

APRA will release the first of the improved publications, the *Quarterly General Insurance Performance Statistics* for the March 2013 reference period, on 30 May 2013.

APRA will decide which general insurance data submitted to APRA is to be determined non-confidential in the third quarter of 2013. In the meantime, APRA will continue to apply confidentiality protection measures to ensure that confidential information relating to an individual institution cannot be derived from APRA's published statistics.

APRA received 16 submissions from interested parties in response to the proposals in the discussion paper. Of these submissions, 11 are available on APRA's website at the address below. The other five submissions were marked as confidential.

<http://www.apra.gov.au/GI/Publications/Pages/Submissions-confidentiality-of-GI-data-and-changes-to-publications.aspx>

This letter sets out APRA's response to the submissions received on the proposed changes to the general insurance statistical publications in the discussion paper.

Proposal 1: include additional statistics in the *Quarterly General Insurance Performance Statistics* publication

APRA sought feedback on proposed improvements to the quarterly publication. Respondents supported the proposal to include additional statistics, most at a class of business level, in the publication. The additional statistics relate to premiums,

claims, expenses, number of risks, outstanding claims liabilities, recoveries and risk charges.

Based on the feedback received in submissions, APRA has revised the proposed quarterly publication to include another two statistics in addition to the 23 proposed statistics. APRA will publish premiums liabilities statistics split between central estimates and risk margin for the September 2010 reference period onwards, and the stand-alone risk margin of the outstanding claims liabilities and premiums liabilities for the March 2013 reference period onwards.

APRA has otherwise implemented the improvements as proposed and will release the revised *Quarterly General Insurance Performance Statistics* publication on 30 May 2013.

Proposal 2: include additional statistics in the *General Insurance Institution Level Statistics* publication

APRA sought feedback on the proposal to incorporate group-level statistics and more detailed individual insurer statistics into an institution-level publication. Respondents supported the proposal.

Some respondents suggested that APRA publish additional statistics at an institution level, particularly class of business level statistics including premium, claims expense, insurance liabilities, deferred reinsurance expense and reinsurance and other recoveries, as well as other statistics not at a class of business level.

In response to respondents' requests, APRA intends to include additional data in the institution-level publication. APRA will finalise the content and format of the institution-level publication based on its decision whether to determine general insurance data non-confidential. APRA will advise all general insurers and other respondents of its decision, and the changes to the institution level publication in a response letter in the third quarter of 2013.

Proposal 3: Cease the *General Insurance Supplementary Statistical Tables* publication

APRA sought feedback on the proposal to cease the supplementary tables publication. Respondents did not have any strong objection to this proposal, although one respondent noted this would remove one source of "standardised" information on public insurers. One respondent noted specific use of data on public insurers that were not directly related to the proposal.

APRA will publish the final edition of the publication, covering the June 2013 reference period, in November 2013. This edition will include state level premium and claims expense statistics for regulated insurers, and will exclude public insurer statistics. APRA will transfer the publication of state level statistics to the quarterly publication from the September 2013 reference period.

Requests for additional statistics

Some respondents suggested that APRA publish additional statistics, including class of business level data in subdivisions for large, medium and small insurers in the quarterly publication, and accident year claims development table information by class of business.

Over time, APRA intends to incrementally increase the amount of data it publishes in its statistical publications, and will consider these requests for future improvements to general insurance statistical publications.

APRA will release the proposed statistical publications, in accordance to the timetable published on the APRA website. APRA welcomes feedback on the publications, or any suggestions for future improvements.

For further information please contact Todd Campbell (02 9210 3437) or statistics@apra.gov.au.

Yours sincerely

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